Customs Duty for Importing Material

4287. SHRI BRATIN SENGUPTA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Kerala State Electricity Board which is getting grant from Canadian International Development Agency had requested Government of India for granting zero per cent customs duty for importing material required for their projects;

(b) the action taken by Government on their request; and

(c) whether Government could not consider their request; if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) to (c) A request had been received from the Kerala State Electricity Board, for customs duty exemption on import of materials being received in terms of a bilateral agreement between the Government of India and the Government of Canada, under financial assistance from the Canadian International Development Agency, for upgrading of transmission lines for the Idukki Power Project.

Goods being gifted free-of-cost under a bilateral agreement between the Government of India and a foreign Government are already exempted from payment of customs duty, in terms of general exemption notification No. 148/94-Cus., dated 13.7.1994, as amended.

M/s. KSEB have already been informed of this position and they have in turn intimated that this being the case, they are taking necessary action to clear the goods in terms of the above mentioned notification.

Matching Grant Support to Indian Companies

4288. SHRI G. SWAMINATHAN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that under the World Bank Line of Credit, Matching Grant Support was made available to Indian companies to cover 50% of their export market development cost; and

(b) if so, whether there is any provision under the programme which empowers the disbursing Banks and financial institutions to recall or collect back the grant from the receipient companies, when they can not achieve the target inspite of their best efforts, an incremental Export of ten time of the grant amount within a period of five years?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) Yes, Sir.

(b) Sir, the grant agreements with the assisted companies do have a provision giving the disbursing banks and financial institutions the right to recall the amount of grant already disbursed upon failure by the exporter to perform its obligations under the agreement and particularly, in the event the programme is changed without the prior approval of the disbursing bank/financing institution.

Investment by FIIs in Corporate Entities Exceeding Five Percent

4289. SHRI ASHOK MITRA: Will the Minister of FINANCE be pleased to state:

(a) the names of corporate entities in which foreign institutional investors have invested to the extent of more than five per cent of the equity in 1995-96;

(b) the total dividends accruing to foreign investors on account of such equity holding in the same year; and

(c) the total tax paid and remittances made from out of accrued dividends?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) to (c) The Foreign Institutional Investors (FIIs) Regulations which were notified on Nov.